drop-add period, the educational institution must report the change in status or change in the number of hours of credit or attendance to VA in time for VA to receive the report within 30 days from the last date of the drop-add period or 60 days from the first day of the enrollment period, whichever occurs first.

(Authority: 38 U.S.C. 3034, 3684)

- (c) Nonpunitive grades. (1) An educational institution may assign a nonpunitive grade for a course or subject in which the veteran or servicemember is enrolled even though the veteran or eligible person does not withdraw from the course or subject. When this occurs, the educational institution must report the assignment of the nonpunitive grade in a form prescribed by the Secretary in time for VA to receive it before the earlier of the following dates is reached:
- (i) Thirty days from the date on which the educational institution assigns the grade, or

(ii) Sixty days from the last day of the enrollment period for which the nonpunitive grade is assigned.

(2) If the veteran or servicemember is enrolled in a course which does not lead to a standard college degree and for which a monthly certification of attendance is required, the educational institution may use the monthly certification of attendance to report nonpunitive grades provided VA will receive the report within the time period stated in paragraph (c)(1) of this section.

(Authority: 38 U.S.C. 3034, 3684)

(d) Attendance records. Nothing in this section or in any section in 38 CFR part 21 shall be construed as requiring any institution of higher learning to maintain daily attendance records for any course leading to a standard college degree.

(Authority: 38 U.S.C. 3034, 3685)

(The information collection requirements in paragraphs (a) and (b) of this section have been approved by the Office of Management and Budget under control numbers 2900–0465 and 2900–0156, respectively.)

[55 FR 28391, July 11, 1990, as amended at 57 FR 15026, Apr. 24, 1992; 63 FR 14038, Mar. 24, 1998]

§21.7158 False, late, or missing reports.

(a) Veteran. Payments may not be based on false or misleading statements, claims or reports. VA will apply the provisions of §§ 21.4006 and 21.4007 of this part to a veteran or servicemember or any other person who submits false or misleading claims, statements or reports in connection with benefits payable under 38 U.S.C. chapter 30 in the same manner as they are applied to people who make similar false or misleading claims for benefits payable under 38 U.S.C. chapter 34 or 36.

- (b) Educational institution or training establishment. (1) VA may hold an educational institution or training establishment liable for overpayments which result from the educational institution's or training establishment's willful or negligent failure to report excessive absences from a course or discontinuance or interruption of a course by a veteran or servicemember or from willful or negligent false certification by the educational institution or training establishment. See §21.7144(b).
- (2) If an educational institution or training establishment willfully and knowingly submits a false report or certification, VA may disapprove that institution's or establishment's courses for further enrollments and may discontinue educational assistance to veterans and servicemembers already enrolled. In doing so, VA will apply §§ 21.4210 through 21.4216.

(Authority: 38 U.S.C. 3034, 3690)

[53 FR 1757, Jan. 22, 1988, as amended at 55 FR 28391, July 11, 1990; 61 FR 26117, May 24, 1996; 63 FR 35837, July 1, 1998]

EFFECTIVE DATE NOTE: At 63 FR 35837, July 1, 1998, §21.7158 was amended by revising the heading, paragraph (b)(2), and the authority citation for paragraph (b), effective July 31, 1998. For the convenience of the user, the superseded text is set forth as follows:

§21.7158 False, late or missing reports.